

Exhibit A – AT&T ILEC Interstate Access Tariffs

ACCESS SERVICE

6. Switched Access Service (cont'd)

6.9 Rates and Charges (cont'd)

6.9.4 Data Base Services

Description	Per Query Rates
(A) 800 Service	
(1) 800 Call-Routing Query Charge - per query	\$.002304(I)
(2) 800 Carrier-ID-Only Charge - per query	.001108(I)
(3) Additional Functions 800 Routing Options Charge - per query using options	.000199
POTS Translation Charge - per query with POTS	.000000
(B) Local Number Portability (LNP) Query Service	
(1) LNP Query - Default, Per Query - End Office - Tandem Office	.002002 .002002
(2) LNP Database Access Query Per Query	.001003

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Four AT&T Plaza, Dallas, Texas 75202

ACCESS SERVICE

6. Switched Access Service (cont'd)

6.9 Rates and Charges (cont'd)

6.9.2 End Office (cont'd)

(D) Common Switching Optional Features (cont'd)

Description	FID/ USOC	Nonrecurring Charge	Monthly Rate	
Called Directory Number Delivery (FGD)				
- Per Message				
- All States	CDND	None	\$0.00	(R)
Calling Billing Number Delivery (Automatic Number Identification) (available with FGD)				
- Per Message				
- All States	ANI	None	0.00	(R)
Basic Initial Address Message Delivery				
- Per Message				
- All States		None	.000600	
Signal Formulation				
- Per Message				
- IAM			.000451	
- TCAP			.000450	

(This page filed under Transmittal No. 1810)

ACCESS SERVICE

6. Switched Access Service (Cont'd)

6.9 Rates and Charges (Cont'd)

6.9.1 Switched Transport (Cont'd)

(D) Chargeable Optional Features

(1) Reserved for Future Use			(D)
	<u>USOC</u>	<u>Monthly Rate</u>	<u>Nonrecurring Charge</u>
(2) Signal Transfer Point (STP) Access All States - Per Port	PT8SX	\$380.00	\$390.00
	<u>USOC</u>		<u>Per Signaling Message</u>
(3) Signal Switching Per Message - IAM - TCAP			0.000117 0.000150
(4) Signal Tandem Switching Per Message - IAM			0.000160
(5) Signal Transport Per Message - IAM - TCAP			0.000026 0.000038

(This page filed under Transmittal No. 1870)

ACCESS SERVICE

6. Switched Access Service (Cont'd)6.8 Rates and Charges (Cont'd)6.8.12 Toll Free AccessBasic Toll Free Access QueryRecurring Charges

- Per query	\$0.004777 (R)
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POTS Translation

- Per query	0.000000
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Multiple Destination Routing

- Per query	0.000459 (R)
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Six Digit Master Number List Turnaround

- Per query	0.001500
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6.8.13 Billing Name and Address (BNA) Service Rates

- Billing Name and Address Found, per listing	\$0.30
- Billing Name and Address Not Found, per listing	0.28 (R)

6.8.14 500 Access ServiceUSOCNonrecurring Charges1st Additional

Activating/Deactivating Each NXX
Per Central Office

- Per Order	NRB5F/SACCH	\$0.00	\$0.00
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Issued: June 16, 2008

Effective: July 1, 2008

Four AT&T Plaza, Dallas, Texas 75202

ISSUED: JUNE 16, 2011

EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

6 - BellSouth SWA Service (Cont'd)

6.8 Rates and Charges (Cont'd)

6.8.11 Toll Free Dialing Database

BellSouth SWA Toll Free Dialing Ten Digit Screening Service

	Per Query
- Per Toll Free Dialing Call Utilizing BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service with Toll Free Dialing Number Delivery	\$.00421
- Per Toll Free Dialing Call Utilizing BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service with Toll Free Dialing Number Delivery for Toll Free Dialing Numbers with Optional Complex Feature, i.e., Call Handling and Destination Features	\$.004296
- Per Toll Free Dialing Call Utilizing BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service with POTS Number Delivery	\$.00383
- Per Toll Free Dialing Call Utilizing BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service with POTS Number Delivery for Toll Free Dialing Numbers with Optional Complex Feature, i.e., Call Handling and Destination Features	\$.00431

Exhibit B – Peerless Interstate Access Tariff

ACCESS SERVICE TARIFF

SECTION 8 – RATES AND CHARGES8.2 Miscellaneous Services (cont'd)8.2.3 Billing and Collection Services(A) Billing Name and Address Service

	<u>Recurring charge</u>
Service Establishment	\$250
Query charge – Per TN	\$0.20
Automatic Number Identification -Per attempt	\$0.0121
Recording per customer message	\$0.0081

8.2.4 8YY Data Base Service

Customer Identification

-Per query in below jurisdiction

AL, AR, CA, CT (SNET), FL, GA, IL, IN, KS, KY, LA, MI, MO, MS, NC, NV, OK, OH, SC, TN, TX, WI	\$0.005
AZ, CO, IA, ID, MN, MT, ND, NE, NM, OR, SD, UT, WA, WY,	\$0.0045
CT (Verizon), DC, DE, MA, MD, NJ, NY, PA, RI, VA, WV	\$0.006
ME, NH, VT	\$0.0037
AK	\$0.0070
HI	\$0.0070

8.2.5 Payphone Dial-Around Compensation

-Per toll free call \$0.65

8.2.6 End User Common Line Charge

Per DSO	\$0.20	(I)
Per ISDN PRI	\$4.60	(I)

Exhibit C – Letter from Mr. William Carnell to Mr. John Young



William S. Carnell
Associate General Counsel
1320 N. Courthouse Road
Arlington, VA 22201
703-351-3180
william.s.carnell@verizon.com

December 15, 2017

John F. Young, Esq.
Markus Williams Young & Zimmermann LLC
1700 Lincoln Street, Suite 4550
Denver, CO 80203

Re: Notice of Breach

Dear Mr. Young:

In correspondence addressed to John Trofimuk and myself, Terry Ruth and David Aldworth of Teliix have alleged that Verizon is in breach of its commitments to Teliix, and that Verizon owes Teliix a very large amount of money. I have investigated these allegations, and concluded that precisely the opposite is true. Teliix materially breached the terms of our settlement agreement, and must refund the amounts previously paid by Verizon.

The 2015 settlement agreement between Verizon and Teliix required that during the prospective term, Teliix "shall not bill Verizon for traffic that is the product of fraud or illegal activity (e.g. auto-dialed 8YY traffic)." This prohibition was critically important to Verizon, for there is truly no limit to the quantity of outbound traffic (and the level of billings) that otherwise could be generated.

Verizon assumed that Teliix would abide by this commitment not to bill for such traffic, and in reliance on that commitment for nearly two years Verizon paid the amounts billed by Teliix. In the summer of 2017, Verizon noticed a spike in traffic (and billings), and performed an audit. Based on the patterns and characteristics of that traffic, including data derived from Teliix and in some cases from Verizon's own network, it appears that much of Teliix's traffic was in fact "the product of fraud or illegal activity," including "auto-dialed 8YY traffic."

In his note dated December 14, David Aldworth suggests that this conclusion was based on a misunderstanding of available data. That is not correct.

Teliix says that most of the traffic it receives from customers lacks accurate data reflecting the actual calling party. This alone is a red flag. But rather than identify and correct the source of the bad traffic, Teliix instead covered it up, by aggregating and assigning that bad traffic to a series of spoofed calling party numbers. Rather than assign unique and identifiable calling party numbers, Teliix deliberately aggregated the bad traffic and randomized its distribution into a

John F. Young, Esq.
December 15, 2017
Page 2

limited collection of spoofed numbers. Thus the original patterns associated with that bad traffic were obscured, like so many shuffled decks of cards. If Teliix had deliberately set out to hide fraud and robocalling, it could not have done better than the system it currently has in place.

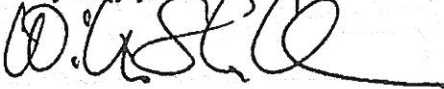
Despite Teliix's apparent best efforts to obscure its own traffic, Verizon was able to identify some fraudulent traffic nonetheless. This was a difficult process that required Verizon to manually identify certain calls that were supposed in the Teliix call records to have originated from or terminated to customers associated with Verizon's own network. I do not intend to share that process, lest someone find a way to thwart it. At the end of the analysis, Verizon did conclude that at least a portion of Teliix's traffic was indeed "the product of fraud or illegal activity."

It's notable that Teliix openly advertises that it pays for outbound 8YY traffic, and invites anyone generating such traffic to take advantage of Teliix's "well established rates." (Were some of those rates "established" through a contract with Verizon?) We all know that any fool with an Internet connection can generate millions of minutes of 8YY traffic; and a somewhat more clever fool can make that fraud difficult to detect. Unprincipled hackers can generate essentially unlimited amounts of fraudulent 8YY traffic – if they are given the incentive. Teliix provided that incentive. You literally got what you paid for.

Teliix undertook a strict and unconditional obligation not to bill Verizon for any traffic that was the product of fraud or illegal activity, including auto-dialed 8YY calls. In keeping with that obligation, Teliix should have implemented strict safeguards to ensure its compliance. But it did not. To the contrary, Teliix ignored the red flags of fraud and camouflaged its existence, while it profited from the fraud and actively encouraged its perpetrators.

For over two years Teliix has been billing, and Verizon has been paying, for fraudulent traffic, in material breach of its agreement not to do so. Since February 1, 2015, Verizon has paid Teliix \$3,290,790.92 in reliance on Teliix's broken promise not to bill for traffic that is the product of fraud or illegal activity. We ask that this entire amount be promptly refunded.

Very truly yours



William S. Camell

Exhibit D – Excerpt from Deposition of Adam Panagia (December 3, 2015)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
CIVIL ACTION NO.: 1:15-cv-01472-RBJ

-----X
TELIAX, INC., d/b/a Teliix)
Colorado, LLC,)
)
Plaintiff/)
Counter-Defendant,)
)
vs.)
)
AT&T CORP.,)
)
Counter-Plaintiff/)
Defendant, and)
)
BELLSOUTH LONG DISTANCE, INC.,)
D/B/A AT&T LONG DISTANCE)
SERVICE,)
)
Defendant.)
-----X

DEPOSITION OF ADAM PANAGIA
Bedminster Township, New Jersey
Thursday, December 3, 2015

Reported by:
CORINNE J. BLAIR, CRR, CCR, RPR, CLR
JOB #: 100687

1 Panagia

2 Q Let's turn to AT&T's dealings with
3 Teliix.

4 When did you first become familiar
5 with Teliix?

6 A Probably as far back as 2013.

7 Q What brought it to your attention?

8 A Teliix is a wholesale customer of
9 AT&T's, and my team performs fraud
10 investigations. And, very specifically,
11 international revenue share fraud
12 investigations. And we've sent Teliix
13 several heads-ups that their customers were
14 getting hit with PBX or voicemail fraud.

15 Q Could you elaborate; what do you
16 mean their customers were being hit?

17 A Teliix was delivering fraudulent
18 international traffic to our network. And
19 when we -- we would let them know that
20 they're delivering fraud traffic and that
21 their customer probably has a problem with
22 their phone equipment being compromised.

23 Q What happened as a result of that
24 discussion?

25 A It wasn't a discussion. It was just

1 Panagia

2 a referral. We send an alert to Teliix.
3 NOC. And they handle it accordingly with
4 their customer.

5 Q Have you seen that subsequent to
6 that time?

7 A Probably, maybe five or six times,
8 we've sent such alerts.

9 Q Is that common within the industry
10 to see these alerts?

11 A Absolutely.

12 Q Could you explain what a fraudulent
13 international call would be?

14 A Sure. There's a big fraud problem
15 in the industry called international revenue
16 share fraud. And that's when hackers
17 compromise U.S. business phone systems and
18 they dial international numbers that -- that
19 receive a revenue share back to the hacker.

20 Q When is the next time you got
21 involved with Teliix?

22 A Probably about March of this year.
23 And that was more access-related.

24 The National Access Management team
25 brought to my attention that there was a

1 Panagia

2 Q Have you ever heard the term
3 non-compliant caller ID?

4 A Yes.

5 Q What does that mean to you?

6 A It means to me a caller ID value
7 that's not a valid telephone number format.

8 Q Why would that appear; do you have
9 any idea?

10 A Could be a translation issue, but
11 more likely a spoofing issue.

12 Q Okay. Does AT&T want those calls
13 completed?

14 A No.

15 Q Have you ever indicated to Teliix to
16 block those calls? Has AT&T ever indicated
17 that?

18 A Not to my knowledge.

19 Q Would it be appropriate to bill end
20 office access on those calls?

21 A I don't know.

22 Q Tandem access?

23 A I don't know.

24 Q Does AT&T have internal reporting
25 systems for calls?

Exhibit E – Excerpt from Deposition of Kimberly Meola (December 3, 2015)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
CIVIL ACTION NO.: 1:15-cv-01472-RBJ

-----X
TELIAZ, INC., d/b/a TeliAx)
Colorado, LLC,)
)
Plaintiff/)
Counter-Defendant,)
)
vs.)
)
AT&T CORP.,)
)
Counter-Plaintiff/)
Defendant, and)
)
BELLSOUTH LONG DISTANCE, INC.,)
D/B/A AT&T LONG DISTANCE)
SERVICE,)
)
Defendant.)
-----X

DEPOSITION OF KIMBERLY A. MEOLA
Bedminster Township, New Jersey
Thursday, December 3, 2015

Reported by:
CORINNE J. BLAIR, CRR, CCR, RPR, CLR
JOB #: 100687

1 Meola

2 A So for a VOIP provider, these calls
3 are noematic, and we would utilize and expect
4 to pay a national average tandem switching
5 rate.

6 Q Would you use the -- if CLEC
7 number 2 had a tariff on file with the FCC
8 that had a tandem rate, would you use that
9 rate?

10 A I can't answer that question. It
11 depends. Generally, yes, but there are
12 exceptions to that, based on how the tariff's
13 filed and when the tariff's filed and the
14 other situations that might arise around the
15 call flow.

16 Just because a tariff is on file
17 doesn't mean that it makes it appropriate.

18 Q For domestically-originated
19 toll-free calls, has AT&T ever requested a
20 carrier or VOIP provider to block those, that
21 you're aware of?

22 A Not that I'm aware of.

23 Q For internationally-originated
24 calls, has AT&T ever requested a VOIP provider
25 or a CLEC to block those calls, to your

Exhibit F – Excerpt from Deposition of Alison Miller (December 2, 2015)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
CIVIL ACTION NO.: 1:15-cv-01472-RBJ

-----X
TELIAX, INC., d/b/a Teliix)
Colorado, LLC,)
)
Plaintiff/)
Counter-Defendant,)
)
vs.)
)
AT&T CORP.,)
)
Counter-Plaintiff/)
Defendant, and)
)
BELLSOUTH LONG DISTANCE, INC.,)
D/B/A AT&T LONG DISTANCE)
SERVICE,)
)
Defendant.)
-----X

DEPOSITION OF ALISON L. MILLER
Bedminster Township, New Jersey
Wednesday, December 2, 2015

Reported by:
CORINNE J. BLAIR, CRR, CCR, RPR, CLR
JOB No: 100685

1 Miller

2 correctly, if there was a CLEC that had a
3 dialer, and it spoofed caller ID information
4 and just dialed AT&T served toll-free numbers,
5 but there was no one to answer the call or
6 speak, that would be fraud?

7 A My understanding is, yes, that would
8 fall under our fraud.

9 Q You would expect those to be
10 blocked?

11 A We would expect whoever's sending
12 those to no longer be sending those.

13 Q Would AT&T work with Teliix to
14 identify those calls, where they might be
15 coming from?

16 A If it is possible to identify --
17 usually AT&T would note, but it would be
18 Teliix that would need to be able to tell who
19 that was coming from. We have no vision into
20 who's behind Teliix.

21 Q Okay. Besides international calls
22 not going through international gateways and
23 fraudulent spoofed calls, are there any other
24 instances where AT&T does not expect Teliix to
25 deliver 8YY calls intended for AT&T's network

1 Miller

2 to AT&T?

3 A Caveating by saying if it's a
4 legitimate domestic switched access
5 originated call, and Teliix receives that, we
6 would expect that call to be sent through the
7 proper channels to AT&T.

8 Q Would that include calls where
9 the -- you have determined that the telephone
10 number making the call is not a Teliix
11 telephone number?

12 A That call would still be routed to
13 us. What is at question is the compensation
14 for that traffic.

15 Q But you would expect those calls to
16 be delivered to AT&T?

17 A If Teliix is receiving those calls,
18 yes, we would expect those to be sent to
19 AT&T.

20 Q Are you aware of a requirement, a
21 regulatory requirement or an industry policy,
22 that requires toll-free aggregators to issue
23 telephone numbers to the wholesale customers?

24 A No.

25 Q Do you know if it's permissible for